

TORONTO STOCK EXCHANGE

AMENDING FILING STATEMENT NO. 238.
FILED, OCTOBER 8th. 1964.

MOUNT WRIGHT IRON MINES COMPANY LIMITED

Full corporate name of Company

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

To be read in conjunction with Filing Statement No. 1102 dated May 5, 1964.

Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed.	<p>(a) Increase in number of directors and change in Board of Directors;</p> <p>(b) Acquisition of mining sublease covering 55 claims in the Mount Wright Area, Province of Quebec owned by Bellechasse Mining Corporation Limited;</p> <p>(c) Assignment of part of the beneficial interest in the outstanding options held by E.H. Pooler & Co. Limited on behalf of Alcoro Limited and Lepta Limited to Annett & Company Limited and Robert G. Appleton Limited;</p> <p>(d) Grant of an option to purchase 100,000 shares of the Company at \$1.00 per share to Robert Archibald, a director, as a finder's fee.</p>																
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>At a meeting of shareholders held 30th June, 1964, the special resolution increasing the Board of Directors from six to seven was ratified. The following are the officers and directors:</p> <table border="0"> <tr> <td>President and Director</td><td>- G.H. Corolis, 241 Strathallan Wood, Toronto, Ontario, Mining Executive</td></tr> <tr> <td>Vice-President and Director</td><td>- Julius Mallin, 65 Glen Road, Toronto, Ontario, Mining Executive</td></tr> <tr> <td>Secretary-Treasurer</td><td>- O.E. Smith, 5 Elm Avenue, Toronto, Ontario, Corporate Secretary</td></tr> <tr> <td>Director</td><td>- D.W. Currie, Fifeshire Road North, Toronto, Ontario, Director, Annett Partners</td></tr> <tr> <td>Director</td><td>- Joseph E. Spalding, White Oaks Road, Clarkson, Ontario, President, Spalding Printing Company Limited</td></tr> <tr> <td>Director</td><td>- William L. Sheridan, R.R. #1, The Bridle Path, Don Mills, Ontario, President, Sheridan Equipment Ltd., Leaside</td></tr> <tr> <td>Director</td><td>- Robert Archibald, Ishpeming, Mich., U.S.A., President and Director, North Range Mining Company, Ishpeming, Mich., U.S.A.</td></tr> <tr> <td>Director</td><td>- Criton Kerassoti, 58 Avenue d'Ouchy Lausanne, Switzerland, Lawyer.</td></tr> </table>	President and Director	- G.H. Corolis, 241 Strathallan Wood, Toronto, Ontario, Mining Executive	Vice-President and Director	- Julius Mallin, 65 Glen Road, Toronto, Ontario, Mining Executive	Secretary-Treasurer	- O.E. Smith, 5 Elm Avenue, Toronto, Ontario, Corporate Secretary	Director	- D.W. Currie, Fifeshire Road North, Toronto, Ontario, Director, Annett Partners	Director	- Joseph E. Spalding, White Oaks Road, Clarkson, Ontario, President, Spalding Printing Company Limited	Director	- William L. Sheridan, R.R. #1, The Bridle Path, Don Mills, Ontario, President, Sheridan Equipment Ltd., Leaside	Director	- Robert Archibald, Ishpeming, Mich., U.S.A., President and Director, North Range Mining Company, Ishpeming, Mich., U.S.A.	Director	- Criton Kerassoti, 58 Avenue d'Ouchy Lausanne, Switzerland, Lawyer.
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Director	- Criton Kerassoti, 58 Avenue d'Ouchy Lausanne, Switzerland, Lawyer.																
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized: 5,000,000 Issued: 3,270,000</p>																
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>A three months' extension of time was granted to the Underwriter for the exercise of the option instalment covering 200,000 shares at 55¢ per share which was due 7th August, 1964, and all subsequent option instalments. Subject to acceptance of this Amending Filing Statement by the Toronto and Canadian Stock Exchanges, Alcoro Limited and Lepta Limited each assigned one-half of their interest in the outstanding options to Annett & Company Limited, 220 Bay Street, Toronto, and Robert G. Appleton Limited, 73 Overbank Crescent, Don Mills, Ontario, respectively, so that options covering the following blocks of shares exercisable at the following times and prices are outstanding in favour of E.H. Pooler & Co. Limited, 302 Bay Street, Toronto, who is acting as to a 25% interest on behalf of each of Alcoro Limited, Lepta Limited, Annett & Company Limited and Robert G. Appleton Limited:</p> <p>200,000 shares at 55¢ per share exercisable on or before 7th November, 1964;</p> <p>200,000 shares at 75¢ per share exercisable on or before 7th February, 1965;</p> <p>200,000 shares at \$1.00 per share exercisable on or before 7th May, 1965;</p> <p>200,000 shares at \$1.25 per share exercisable on or before 7th August, 1965.</p>																
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities at assignments, present or proposed, and, if any assignments is contemplated, particulars thereof.	<p>The following persons having a greater than 5% interest in the following companies are:</p> <table border="0"> <tr> <td><u>E.H. Pooler & Co. Limited</u> Calvington Securities Ltd., 302 Bay Street, Toronto, Ontario</td><td><u>Annett & Company Limited</u> Douglas R. Annett, 80 Glengrove Avenue, Toronto, Ontario</td></tr> <tr> <td>G.T. Gayford, 48 Inglewood Drive, Toronto, Ontario</td><td>Carmen G. King, 26 Glenorchy Road, Don Mills, Ontario</td></tr> <tr> <td>J.C. Evans, 16 Fifeshire Road, Willowdale, Ontario</td><td>T.A.W. Duncan, 10 College View, Toronto, Ontario</td></tr> <tr> <td><u>Alcoro Limited</u> G.H. Corolis, 241 Strathallan Wood, Toronto, Ontario</td><td><u>Robert G. Appleton Limited</u> Robert G. Appleton, 73 Overbank Crescent, Don Mills, Ontario.</td></tr> <tr> <td><u>Lepta Limited</u> Julius Mallin, 65 Glen Road, Toronto, Ontario</td><td></td></tr> </table>	<u>E.H. Pooler & Co. Limited</u> Calvington Securities Ltd., 302 Bay Street, Toronto, Ontario	<u>Annett & Company Limited</u> Douglas R. Annett, 80 Glengrove Avenue, Toronto, Ontario	G.T. Gayford, 48 Inglewood Drive, Toronto, Ontario	Carmen G. King, 26 Glenorchy Road, Don Mills, Ontario	J.C. Evans, 16 Fifeshire Road, Willowdale, Ontario	T.A.W. Duncan, 10 College View, Toronto, Ontario	<u>Alcoro Limited</u> G.H. Corolis, 241 Strathallan Wood, Toronto, Ontario	<u>Robert G. Appleton Limited</u> Robert G. Appleton, 73 Overbank Crescent, Don Mills, Ontario.	<u>Lepta Limited</u> Julius Mallin, 65 Glen Road, Toronto, Ontario							
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<p>8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or prospectus acquisition.</p>	<p>Subject to acceptance of this Amending Filing Statement by the Toronto and Canadian Stock Exchanges and subject to the approval of shareholders of the Company at a meeting called for that purpose (the date whereof is referred to as "the option date"), the Company has granted to Robert Archibald, Ishpeming, Mich., U.S.A., a director of the Company, an option to purchase 100,000 shares of the Company at \$1.00 per share exercisable in whole or in part at any time or times within five years of the option date. This option is granted as compensation to Mr. Archibald for his efforts in introducing to the Company and negotiating on behalf of the Company, the mining sub-lease referred to in Item 11 hereof.</p>
<p>9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.</p>	<p>Moneys received by the Company for the options mentioned in Item 6 when exercised will be expended as follows:</p> <ul style="list-style-type: none"> (a) in continuing its programme of exploration and development of its optioned properties in Spain; (b) in continuing its efforts to obtain forward contracts for the sale of iron ore from its properties in the Mount Wright Area, Quebec, including those under sub-lease as mentioned in Item 11 in preparation to bringing those properties into production; (c) in making the royalty or rental payments relating to the sub-lease mentioned in Item 11 hereof; (d) for general administrative purposes.
<p>10. Brief statement of company's chief development work during past year.</p>	<p>The Company has conducted a programme of geological reconnaissance and mapping and a geochemical survey and assaying over all of its optioned concessions in Spain at a cost of approximately \$30,000.00 as shown in the accompanying Statement of Source and Application of Funds. It is now awaiting results of the surveys and assays to determine which concessions will be retained and which, if any, abandoned prior to deciding on a diamond drilling programme, if warranted, on the retained concessions.</p>
<p>11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.</p>	<p>Subject to the acceptance of this Amending Filing Statement by the Toronto and Canadian Stock Exchanges, the Company will enter into a mining sub-lease and royalty agreement with Atwood Ore Co. (Hereinafter called "Atwood") located at 712 Lonsdale Building, Duluth, Minnesota, U.S.A., covering 55 mining claims in the Mount Wright Area, Province of Quebec, owned by Bellechasse Mining Corporation Limited (hereinafter called "Bellechasse") located at 620 Cathcart Street, Montreal, Quebec.</p> <p>By mining lease dated 19th February, 1960, and amended 24th December, 1963, between Bellechasse and Atwood, it was provided as follows:</p> <ul style="list-style-type: none"> (a) Bellechasse leased to Atwood the aforesaid 55 mining claims for a period of 75 years with the exclusive right to explore for, mine and remove and beneficiate and dispose of all iron ore found thereon; (b) Atwood agreed to pay a royalty of 50¢ per ton of concentrates less 1¢ per ton for each 1% decrease in the percentage of recovery below 50% (it is estimated that this royalty will be approximately 30¢ per ton in view of the estimated percentage of recovery); (c) Atwood further agreed to pay to Bellechasse the base royalty or rent which amounted to \$36,000.00 for the period ended 1st April, 1964 (which sum has been paid) and a yearly minimum royalty or rent of \$7,500.00 per year commencing 1st April, 1965, continuing to 31st March, 1974, and thereafter a minimum yearly royalty or rent of \$30,000.00 commencing 1st April, 1974, and continuing during the duration of the lease; (d) Atwood further agreed to keep the claims in good standing by doing the required work or in lieu thereof to pay the required rentals and fees necessary therefor. Sufficient work has been done to maintain the claims in good standing until 31st December, 1967; (e) Atwood may terminate the lease upon giving 90 days' notice in writing of its intention to do so. <p>By mining sub-lease and royalty agreement between Atwood and the Company it is provided as follows:</p> <ul style="list-style-type: none"> (a) Atwood sub-leases the claims to the Company until 18th November, 2034; (b) The Company agrees to assume and pay to Bellechasse the aforesaid royalty of 50¢ per ton of concentrates less 1¢ per ton for each 1% decrease in the percentage of recovery below 50% (it is estimated that this royalty will be approximately 30¢ per ton in view of the estimated percentage of recovery); (c) The Company agrees to pay to Atwood an overriding royalty of 20¢ per ton of concentrates which sum is to be increased or decreased according to a formula based on the consumer price index as shown in the "Bank of Canada Statistical Survey"; (d) The Company further agrees that it will assume and pay to Bellechasse the minimum royalty or rent of \$7,500.00 per year commencing 1st April, 1965, and continuing to 31st March, 1974, and thereafter the minimum royalty or rent of \$30,000.00 per year commencing 1st April, 1974, and continuing for the term of the lease, providing, however, that so long as it is not in default it may at any time prior to 1st January, 1968, terminate the sub-lease in its entirety upon giving 30 days' written notice, and thereafter upon 90 days' written notice, of its intention to do so; (e) The Company agrees that it will keep the claims in good standing by doing the required work or in lieu thereof to pay the required rentals and fees necessary therefor. Sufficient work has been done to maintain the claims in good standing until 31st December, 1967.

ENGINEER'S REPORT

MOUNT WRIGHT IRON MINES COMPANY LIMITED
(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET

AS AT SEPTEMBER 28, 1964
(Prepared from the books without audit)

ASSETS		LIABILITIES	
<u>Current assets</u>		<u>Current liabilities</u>	
Cash	\$ 4,182.62	Accounts payable	\$ 18,815.31
Sumdry advances and deposits	<u>3,461.59</u>		
	\$ 7,644.21		
<u>Investments</u>		<u>Shareholders' equity</u>	
Common shares of an oil company, not in excess of cost (market value \$18,360.00)	\$ 2,700.00	Capital stock	
Investment in associated Spanish company, at cost	<u>86,429.42</u>	Authorized:	
	\$ 89,129.42	5,000,000 shares, par value \$1.00 each	
<u>Fixed assets</u>		Issued and fully paid:	
Mining claims in Mount Wright Area, Province of Quebec, at valuation attributed to 1,000,000 capital shares issued in consideration of claims plus \$4,600.00 paid in cash	\$304,600.00	3,270,000 shares	\$3,270,000.00
Equipment, at nominal value	2.00	Less - discount thereon	<u>1,862,268.45</u>
Outpost Island, Northwest Territories, - mining claims, buildings and equipment, at nominal value	2.00		\$1,407,731.55
Leasehold improvements and office furnishings, at cost	<u>3,285.12</u>	Contributed surplus - arising from reduction of the company's capital stock on April 18, 1958	
Less - allowance for depreciation	<u>916.12</u>	Deficit (no change since March 31, 1964)	
			<u>2,026,952.79</u>
<u>Deferred expenditures</u>			
Exploration and administrative expenditures, per statement	\$354,064.08		
Incorporation and recapitalization expenses	<u>8,978.00</u>		
	\$363,042.08		
	\$766,788.71		
			<u>\$766,788.71</u>

Approved on behalf of the
Board of Directors:

..... (Director)
..... (Director)
Joseph E. Greening (DIRECTOR)

MOUNT WRIGHT IRON MINES COMPANY LIMITED
DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES
FOR THE PERIOD APRIL 1, 1964 TO SEPTEMBER 28, 1964
(Prepared from the books without audit)

<u>Balance, April 1, 1964</u>		\$313,941.28
<u>Additions during period</u>		
<u>Exploration expenditures</u>		
Government licenses and fees	\$ 360.00	
Engineers' fees and expenses	3,505.11	
Assays and tests	1,355.00	
Technical and economic study	3,964.62	
Transportation of men and supplies	228.75	
Miscellaneous	<u>134.76</u>	\$ 9,548.24
<u>Administrative expenditures</u>		
Office rent, accounting and secretarial fees	\$ 1,145.02	
Management salaries	3,000.00	
Legal and audit fees	3,868.85	
Travelling expenses including travelling to Spain	13,018.78	
Share issue and transfer expense	2,221.37	
Shareholders' reports and publicity, including annual report	4,832.58	
Telephone	1,012.03	
Directors' fees	300.00	
Government fees and taxes	194.79	
Stock exchange fees and expenses	494.59	
Miscellaneous	<u>486.55</u>	<u>30,574.56</u>
<u>Total additions during the period</u>		<u>40,122.80</u>
<u>Balance, September 28, 1964</u>		<u>\$354,064.08</u>

MOUNT WRIGHT IRON MINES COMPANY LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE PERIOD APRIL 1, 1964 TO SEPTEMBER 28, 1964
(Prepared from the books without audit)

<u>Source of funds</u>			
Sale of 200,000 shares of capital stock			\$110,000.00
<u>Application of funds</u>			
Exploration and administrative expenditures, per statement		\$40,122.80	
Investment in associated Spanish company:			
Payments to obtain working property option for the Spanish company	\$23,430.91		
Deposit with bank in Spain to secure bank loan to Spanish company	27,059.40		
Incorporating and legal expenses re Spanish company	<u>4,537.23</u>		
	\$55,027.54		
Exploration expenditures paid on behalf of Spanish company:			
Advances to project manager for field expenses	3,265.80		
Consulting and management fees	7,315.00		
Geological surveying	10,035.00		
Geochemical surveying	3,037.00		
Air travelling	1,701.23		
Field supplies and expenses	<u>6,047.85</u>	<u>86,429.42</u>	<u>126,552.22</u>
<u>Decrease in working capital</u>			<u>\$ 16,552.22</u>
<u>Working capital changes</u>			
Decrease in current assets			\$ 4,943.04
Increase in current liabilities			<u>11,609.18</u>
			<u>\$ 16,552.22</u>

Approved on behalf of the
Board of Directors:

..... (Director)
Joseph E. ... (Director)

ENGINEER'S REPORT

Note - The following are excerpts from a report by T. Koulomzine, L.Sc., P.Eng., dated September 14th, 1964, on mining properties of the Bellechasse Mining Corp. Ltd., located in Normanville and No. 2756 Twps., Saguenay County, Mount Wright Area, Province of Quebec. A complete copy of this report is on file with the Toronto Stock Exchange.

L. SC. & ING. E.N.S.P.
PARIS & STRASBOURG UNIVERSITIES
PROFESSIONAL ENGINEER - QUEBEC
MEMBER C.I.M. A.I.M.E. S.E.G. E.I.C.
FELLOW G.A.C.

THEODORE KOULOMZINE

CONSULTING MINING ENGINEER
GEOLOGIST AND GEOPHYSICIST

VAL D'OR, P. Q. OFFICE
1269, 7TH STREET P. O. BOX 880
PHONE: OFF. 4-6398; RES. 4-2127

Report on the Property of

BELLECHASSE MINING CORP. LTD.

Normanville & No. 2756 Twps., Saguenay County,

Mount Wright Area, Quebec.

By T. Koulomzine, L.Sc., Prof. Eng.

September 14, 1964.

INTRODUCTION

Bellechasse Mining Corp. Ltd. owns in the Mount Wright Area of Quebec 55 mining claims covering some 2,200 acres. The ground is underlain by two separate iron ore deposits which are amenable to open pit mining on a fairly large scale. Though owned by Bellechasse Corp. the claims are under a long-term lease to the Attwood Ore Company, a wholly-owned subsidiary of the W. S. Moore Co., of Duluth.

At present, negotiations are under way for the lease on the above claims to be transferred to the Mount Wright Iron Mines Co. Ltd. which itself owns a property, only $\frac{1}{2}$ mile away, containing:

- 1) a 14.7 million-ton ore deposit of unusually pure concentrating-type, and
- 2) at least three other smaller deposits.

The object of this report is to re-evaluate the Bellechasse property for the benefit of the directors and shareholders of Mount Wright Iron Mines Co. Ltd.

LOCATION AND TRANSPORTATION

The Bellechasse holdings are located in the eastern section of the Mount Wright Area. They lie between $52^{\circ} 46'$ and $52^{\circ} 48\frac{1}{2}'$ northern latitude and $67^{\circ} 08'$ and $67^{\circ} 14'$ western longitude. The claims are flanked on the north by the property of Consolidated Fenimore Iron Mines Ltd., and on the south they adjoin Quebec Cartier Mining Corp., a wholly-owned subsidiary of U. S. Steel Corp. The southwestern tip of the Bellechasse claim group is only $\frac{1}{2}$ mile north of the main holdings of Mount Wright Iron Mines Co. Ltd.; however, there are no common boundaries between the two properties.

The Bellechasse ground is on the Quebec side of the still unsurveyed Quebec-Labrador border which should pass less than 2 miles to the north and 3 miles to the east of the claims.

The closest towns are Labrador City and Wabush, both 19 miles to the northeast. They are the respective sites of the Carol Lake project, of the Iron Ore Company of Canada, producing some 7 million tons of high grade concentrates and pellets per year, and of Wabush Mines which are in full development and are scheduled to start production in 1965 at a rate of $5\frac{1}{2}$ million tons.

In the immediate neighbourhood of Bellechasse, three mining companies are contemplating large-scale production. The Mount Wright Iron Mines Co. Ltd. is planning to ship at least 2 million tons of pellets per year from its "Southern Deposit". The Quebec Cartier has not yet announced any definite plans for its Mount Wright holdings; however, their recent large-scale drilling campaigns and other development work suggest that the start of operations can be expected in the near future. Normanville Mining Co., a wholly-owned subsidiary of Jones & Laughlin and Cleveland Cliffs, which holds the ground 2 miles northwest of Bellechasse, where a very large deposit has been outlined, has not yet announced any production plans.

There are no roads connecting the area with the outside world. Consequently, at the present moment, the Bellechasse ground can be reached either by air or by overland tractors from the end of a 7-mile truck road which starts from Labrador City and reaches the northwestern tip of Long Lake. There is a project to join by road Labrador City and Gagnon, 80 miles farther SSW. This projected road is scheduled to pass over the eastern deposit of Bellechasse.

At least three railway routes to connect the Mount Wright Area with tidewater have been studied. Quebec Cartier Mines have outlined a right-of-way which is to join the west end of the Mount Wright Range, some 6 miles west of the Bellechasse holdings, with the railhead of the line now connecting Gagnon with Port-Cartier. Mount Wright Iron Mines Co. Ltd. have contemplated the building of one of the two railways: the "Short Route", connecting the Mount Wright "Southern Deposit" with Labrador City, would pass a few hundred feet to the west of the Bellechasse "Western Iron" deposit, while the "Southern Route", going from the "Southern Deposit" to mile 194 on the Quebec North Shore & Labrador Railway, according to plans passes close to the "Eastern Iron" deposit of Bellechasse.

DESCRIPTION OF DEPOSITS

Maps Nos. 1 and 2 attached herewith indicate the general shape and trend of the deposits on the Bellechasse property. The outline of the ore masses has been done by the delimitation of surface outcrops, 7502 feet of diamond drilling of which 4470 were in ore, and in part by ground magnetic measurements. There are essentially two folded deposits which are designated "Eastern Iron" and "Western Iron". In both cases the bulk of minable ore occurs at the southern tips of the syncline folds, where the ore bed is thicker and will also be the easiest to mine out because the shape of the foot wall would coincide with the outline of the open pit.

An unexplored, overburden-covered magnetic anomaly also exists on the Bellechasse holdings. This occurrence is designated on map No. 1 as the "Northeastern Iron".

"Eastern Iron"

This deposit is defined by some surface exposures which appear on map No. 3 and by 10 drill holes. It can be subdivided into the main part representing the nose of the synclinal fold, while the northern extension forms the eastern flank.

The main southern zone has been cut by three short holes numbered DDH-1, DDH-2 and DDH-3 on map No. 5, and by holes QL-9, QL-10, QL-11, and QL-12. A total of 2,740 feet was put down on this main zone of which 1,909 feet were in ore. The deepest hole, No. 9, went down in ore to a vertical depth of 600 feet. The next deepest hole, No. 10, was in ore to a vertical depth of 480 feet, after which it went into lean material and the foot wall. The holes drilled in this main part of the ore zone leave no doubt as to the structural interpretation which is illustrated by maps Nos. 2, 3, 4, and 5 and by sections 7, 8, and 9.

The calculated weighted average of this main zone of the "Eastern Iron" deposit is of 30.75% iron.

The tonnage mineable by open pit methods has been calculated by the undersigned as 100 million tons. What is important to note is that the waste removal necessary for the mining of this tonnage will be negligible, somewhere between 10 and 20% of the total production of the open pit.

The northern extension of the "Eastern Iron" has been defined by ground magnetics and confirmed by three drill holes. The ore representing the eastern flank of the syncline dips to the west and has a width varying between 120 and 300 feet. The structure of the northern extension is illustrated by maps Nos. 3, 4, and 5 and sections 10, 11, 12, and 13. Open pit operations will require the removal of a wedge of the hanging-wall and of overburden which in places attains 60 feet. If only the higher grade band is mined, the tonnage calculated would amount to 15 million tons, and the grade - as evidenced by the 461 feet of ore intersected - would be 29.74% Fe.

Owing to the topography and to the shape of the eventual open pits, the "Eastern Iron" deposit could easily yield crude ore at the rate of 6 or 7 million tons per year, which would correspond to the production of 2.5 to 3 million tons of concentrates or pellets.

"Western Iron"

The iron deposit designated as "Western Iron" occupies the ground between Club and Daigle Lakes. The total area of this structure is of 250 acres. Outcrops are comparatively plentiful and cover up to 15% of the land. Unfortunately, the amount of drilling done is definitely inadequate for a reasonable estimation of tonnages and grades of the entire "Western Iron" zone.

Holes Nos. QL-1, QL-6 and QL-7, the only ones drilled in this section, suggest that the southern nose of this structure is amenable to mining by a large, more or less triangular, open pit. Maps 14 and 15 and sections 16 and 17 illustrate the fold. The grade calculated from the results obtained in holes QL-1, QL-6 and QL-7 is established as 25.58% iron, and the tonnage available to open pit mining is estimated by the undersigned as 80 million tons. The ore-to-waste ratio would be 1 ore to 0.7 waste.

The very large area covered by the remainder of the "Western Iron" zone quite probably contains ore masses that could be amenable to open pit mining. However, the four sparsely distributed drill holes - Nos. QL-2 to QL-5 inclusive - yielded material which, at least for the time being, must be considered below ore grade.

CONCLUSIONS

The Bellechasse property contains two iron deposits which can be mined by large open pits to produce crude ore amenable to cheap concentration and pelletizing and should yield a product, in all respects similar to the pellets shipped at the present time from the Wabush area.

The structure of the two deposits which is in the form of plunging synclinal folds favours cheap mining with a minimum of waste removal. The "Eastern Iron" deposit could be worked at a rate of 2.5 to 3 million tons of concentrates per year, while the "Western Iron" could yield in the vicinity of 2 million tons per year.

The chances of finding additional ore are excellent.

Assuming that contracts for the sale of ore can be obtained, the Bellechasse deposits could support an independent mining operation and would warrant the construction of a branch railway, a concentrator and a pelletizing plant. If such facilities can be shared with another mining company the property should be considered even more valuable.

Thompson

THEODORE KOULOMZINE

CONSULTING MINING ENGINEER
GEOLOGIST AND GEOPHYSICIST

TO WHOM IT MAY CONCERN

This is to certify that I, the undersigned, Theodore Koulomzine, am a consulting mining engineer, geologist and geophysicist, residing at 3470 Ridgewood Avenue, Montreal 26, and having my place of business at 218 - 9th Street, Val d'Or, P. Q.

THAT I graduated from Paris University (Sorbonne) in 1928 with a degree of Licencié ès Sciences, and from Strasbourg University in 1929 with a degree of Ingénieur E.N.S.P. That I hold now the position of Associate Professor at the Geological Department of the Ecole Polytechnique which is the Engineering Faculty of the University of Montreal.

THAT I am a member of the Corporation of Professional Engineers of the Province of Quebec, duly licensed to practice the engineering profession in this province.

THAT I have no direct or indirect interests, either present or expectant, in the properties, shares or securities of Bellechasse Mining Corp. and Mount Wright Iron Mines Co. Ltd.

THAT the attached report entitled "Report on the Property of Bellechasse Mining Corp. Ltd., Normanville & No. 2756 Twps., Saguenay Co, Mount Wright Area, Quebec", dated September 14, 1964, and prepared by the undersigned, is based on the study of:

a) All published Government reports describing the mining operations and exploration and development work done in the Mount Wright and Labrador City - Wabush areas where the Bellechasse property is located.

b) Government geological and topographical maps and reports covering the area of the Bellechasse holdings.

c) The various documents in the files of the Bellechasse Mining Corp. describing in detail the magnetic surveys, diamond drilling and geological mapping done on their claims in the past years.

d) The results of metallurgical tests made on ore samples taken from the Bellechasse property.

THAT having personally supervised all the exploration work done on the properties of Mount Wright Iron Mines Co. Ltd, and having made extensive economic studies pertaining to the bringing of their orebodies to the production stage, I am familiar with the problems particular to the mine development in the area.

THAT except for a brief visit to the Bellechasse holdings in 1958, I have not examined the ground.

Dated at Val d'Or, Que.,
this 19th day of September 1964.

Theodore Koulomzine

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.

The signatories hereto have no knowledge of who, if anyone, is entitled to a more than 5% interest in Bellechasse which is a public company. The signatories are advised that the following have more than a 5% interest in Atwood: Warren S. Moore, 400 Torrey Bldg., Duluth, Minn., U.S.A., Helen F. Moore, 400 Torrey Bldg., Duluth, Minn., U.S.A., Hubert A. Nelson, 124 South 35 Avenue East, Duluth, Minn., U.S.A., Hiram E. Reese, 2031 2nd Avenue East, Hibbing, Minn., U.S.A., Irving F. Moore, 545 South Center Street, Reno, Nevada, U.S.A., Johnson & Moore, Inc., P.O. Box 1007, Virginia, Minn., U.S.A.

15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.

	Escrowed	Free
G.H. Corolis, 241 Strathallan Wd. Toronto	500,000	
E.H. Pooler & Co. Limited, 302 Bay Street, Toronto	100,000	129,224
William Langridge, Jr., 106 Richmond St. W. Toronto	213,500	
McNamara Holding Corp'n. Ltd.,= 120 Eglinton Ave. W. Toronto		200,000
Roycan & Co. #1 Account, Royal Bank of Canada, Montreal, Quebec		106,750

The shares registered in the names of G.H. Corolis, William Langridge, Jr. and McNamara Holding Corp'n. Ltd. are beneficially owned by them. The signatories hereto have no knowledge of the beneficial ownership of the shares registered in the other names above.

20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.

The option covering 100,000 shares of the Company at \$1.00 per share granted to Julius Mallin, a director and the Vice-President, was not exercised on the due date, namely 18th April, 1964, and was therefore cancelled. There are no other material facts. Upon completion of the purchase of the underwritten shares referred to in Item 6 hereof and the purchase of any optioned shares, the shares of the Company will be in primary distribution.

DATED 28th September, 1964

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

MOUNT WRIGHT IRON MINES COMPANY LIMITED

"G.H. Corolis"

CORPORATE
SEAL

"J. Mallin"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

E.H. POOLER & CO. LIMITED

"J.C. Evans"

President.

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1102.
FILED, MAY 7th. 1964.

MOUNT WRIGHT IRON MINES COMPANY LIMITED
Full corporate name of Company

The Companies Act (Ontario) Letters Patent, 2nd February, 1951
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No. 946.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Underwriting and option agreement referred to in Item 6; (b) Working option covering Mining Exploration Permits in the Provinces of Lugo, La Coruna, Orense and Ponte Vedra in Spain, referred to in Item 11;
2. Head office address and any other office address.	Suite 206, 365 Bay Street, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and Director - G.H. Corolis, 241 Strathallan Wood, Toronto, Ontario, Mining Executive Vice-President and Director - Julius Mallin, 65 Glen Road, Toronto, Ontario, Mining Executive Secretary-Treasurer - O.E. Smith, 5 Elm Avenue, Toronto, Ontario, Corporate Secretary Director - J.A. Martin, 52 Jane Street, Paris, Ontario, Vice-President and Director Walker Press Limited Director - D.W. Currie, Fifeshire Road North, Toronto, Ontario, Director, Annett Partners Director - Joseph E. Spalding, White Oaks Road, Clarkson, Ontario, President, Spalding Printing Company Limited Director - William L. Sheridan, R.R. #1, The Bridle Path, Don Mills, Ontario, President, Sheridan Equipment Ltd., Leaside.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 5,000,000 Issued: 3,070,000
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Subject to acceptance of this Filing Statement by the Toronto Stock Exchange and the Canadian Stock Exchange, the date of which is referred to as "the effective date", E.H. Pooler & Co. Limited, 302 Bay Street, Toronto, Ontario, acting on behalf of Alcoro Limited, Suite 206, 365 Bay Street, Toronto, Ontario, as to a 50% interest and on behalf of Lepta Limited, Suite 206, 365 Bay Street, Toronto, Ontario, as to a 50% interest, has agreed to purchase forthwith after the effective date 200,000 shares of the Company at 55¢ per share. In consideration thereof, the Company has agreed to grant to E.H. Pooler & Co. Limited, acting as aforesaid, options to purchase all or any part of a further 800,000 shares at the following times and prices: 200,000 shares @ \$.55 per share within 3 months of the effective date; 200,000 shares @ .75 per share within 6 months of the effective date; 200,000 shares @ \$1.00 per share within 9 months of the effective date; 200,000 shares @ \$1.25 per share within 12 months of the effective date.

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	<p>The only persons having a greater than 5% interest in the following companies are:</p> <p><u>E.H. Pooler & Co. Limited</u></p> <p>Calvington Securities Ltd., 302 Bay Street, Toronto, Ontario</p> <p>G.T. Gayford, 48 Inglewood Drive, Toronto, Ontario</p> <p>J.C. Evans, 16 Fifeshire Road, Willowdale, Ontario</p> <p><u>Alcoro Limited</u></p> <p>G.H. Corolis, 241 Strathallan Wood, Toronto, Ontario</p> <p><u>Lepta Limited</u></p> <p>Julius Mallin, 65 Glen Road, Toronto, Ontario</p>																
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None																
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company will expend the proceeds from the sale of its securities as follows:</p> <p>(a) In conducting a programme of exploration and development required by its option agreement relating to the properties in Spain in accordance with the recommendations contained in the report of McPhar Geophysics Limited;</p> <p>(b) In continuing its efforts to obtain forward contracts for the sale of iron ore from its property in the Mount Wright Area, Quebec, before further attempting to bring this property into production;</p> <p>(c) For general administrative expenses;</p> <p>(d) Acquisition of mining properties, subject to acceptance of an Amending Filing Statement reflecting the same.</p>																
10. Brief statement of company's chief development work during past year.	The Company completed 1500' of diamond drilling on its northern group of claims in the Mount Wright Area, Quebec, and also two additional holes of approximately 570' to confirm the downward extension of the main southern deposit. The total cost was approximately \$35,000.00.																
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	See Item 11 on page 3.																
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	To the knowledge of the signatories hereto no one, other than Javier de le Pena Borrás and John Kienel, are to receive a greater than 5% interest in the cash or shares paid, payable or to be issued, pursuant to the option agreement mentioned in Item 11.																
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	867,500 shares held in escrow with Guaranty Trust Company of Canada, subject to release upon consent of the Board of Directors, the Toronto Stock Exchange and the Canadian Stock Exchange.																
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	<table><tr><td>G.H. Corolis, 241 Strathallan Wood, Toronto</td><td>500,000</td></tr><tr><td>Northcal Mines Limited, 365 Bay Street, Toronto</td><td>54,000</td></tr><tr><td>W. Langridge, Jr., 106 Richmond St. W., Toronto</td><td>213,500</td></tr><tr><td>E.H. Pooler & Co. Limited, 302 Bay Street, Toronto</td><td>100,000</td></tr></table>	G.H. Corolis, 241 Strathallan Wood, Toronto	500,000	Northcal Mines Limited, 365 Bay Street, Toronto	54,000	W. Langridge, Jr., 106 Richmond St. W., Toronto	213,500	E.H. Pooler & Co. Limited, 302 Bay Street, Toronto	100,000								
G.H. Corolis, 241 Strathallan Wood, Toronto	500,000																
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W. Langridge, Jr., 106 Richmond St. W., Toronto	213,500																
E.H. Pooler & Co. Limited, 302 Bay Street, Toronto	100,000																
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table><tr><td>G.H. Corolis, 241 Strathallan Wood, Toronto</td><td>500,000 (escrowed)</td></tr><tr><td>Wm. Langridge, Jr., 106 Richmond St. W., Toronto</td><td>213,500 (escrowed)</td></tr><tr><td>McNamara Holding Corp. Ltd., 120 Eglinton Ave. E. Toronto</td><td>200,000</td></tr><tr><td>E.H. Pooler & Co. Limited, 302 Bay Street, Toronto</td><td>171,044</td></tr><tr><td>Doherty, Roadhouse & Co.</td><td>63,679</td></tr><tr><td>Doherty, Roadhouse & McCuaig Bros.</td><td>31,923</td></tr><tr><td>McCuaig Bros., Montreal, P.Q.</td><td>1,250</td></tr><tr><td></td><td>96,852</td></tr></table> <p>The shares registered in the names of G.H. Corolis, Wm. Langridge, Jr. and McNamara Holding Corporation Limited are beneficially owned by them. The signatories hereto have no knowledge of the beneficial ownership of the shares registered in the other names above.</p>	G.H. Corolis, 241 Strathallan Wood, Toronto	500,000 (escrowed)	Wm. Langridge, Jr., 106 Richmond St. W., Toronto	213,500 (escrowed)	McNamara Holding Corp. Ltd., 120 Eglinton Ave. E. Toronto	200,000	E.H. Pooler & Co. Limited, 302 Bay Street, Toronto	171,044	Doherty, Roadhouse & Co.	63,679	Doherty, Roadhouse & McCuaig Bros.	31,923	McCuaig Bros., Montreal, P.Q.	1,250		96,852
G.H. Corolis, 241 Strathallan Wood, Toronto	500,000 (escrowed)																
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Doherty, Roadhouse & McCuaig Bros.	31,923																
McCuaig Bros., Montreal, P.Q.	1,250																
	96,852																

MOUNT WRIGHT IRON MINES CO. LIMITED

ADDENDA TO FILING STATEMENT NO. 1102

The following questions were asked by the Toronto Stock Exchange regarding the working option on Mining Exploration Permits in Spain, and the answers received from the company's Spanish lawyer are given herewith: -

Question - "Do Spanish laws affect in any way the acquisition of an option on a mining property in Spain by a Canadian company?"

Answer - "In accordance with the spanish Law a foreign Company can hold an option for acquiring some exploration or exploitation mining permits. However, there is a substantial restriction for the execution of the said option due to the fact that foreign Corporations are not entitled to hold in their own name exploration or exploitation mining permits. Corporations incorporated in Spain with 25% of foreign capital or with a higher contribution not exceeding 49%(highest participation allowed by Law) are considered as spanish Companies and consequently are entitled to retain mining property."

Question - "Are there any government royalties on production?"

Answer - "In the past a royalty "on production" was set forth at the rate of 5% of the production obtained; however, this tax, that was not applicable when the mineral was exported will apparently be absorbed, by the royalty on surface and royalty on production both royalties of the present industrial tax.

The industrial tax relating to mining Companies is divided as follows:

- a) under investigation concession the Company has to pay an annual royalty of FOUR PESETAS AND FIFTY CENTS, per hectare for mining iron, and ELEVEN PESETAS AND FIFTY CENTS per hectare for the remaining metallic minerals.
- b) when the production concession is granted the Company has to pay per annum NINE PESETAS per hectare in case of iron and TWENTY THREE for remaining metallic minerals plus the following sums set forth in the following scale for iron mining: -

Up to 10 hectares	400,-	Ptas.	per hectare
For each hectare or part of it not exceeding 50 hectares...	40,-	"	" "
For each hectare or part of it more than 50 and not exceeding 100 hectares	24,-	"	" "
For each hectare or part of it more than 100 and not exceeding 1000 hectares	16,-	"	" "
For each hectare exceeding 1000 hectares	4,-	"	" "

If the mines are of other metallic minerals the following scale is applicable: -

Up to 10 hectares	1.600,-	Ptas.	per hectare
For each hectare or part of it not exceeding 50 hectares....	160,-	"	" "
For each hectare or part of it more than 50 and not exceeding 100 hectares	80,-	"	" "

For each hectare or part of it
more than 100 and not exceeding
1000 hectares..... 40,- Ptas. per hectare
For each hectare exceeding 1000
hectares..... 4,- " " "

On the total industrial tax there is a surcharge of 60% imposed by the local authorities."

Question - "Would Mount Wright or a subsidiary company require an export permit or pay any duties on minerals ?"

Answer - "Any Corporation and of course the subsidiary Company of MOUNT WRIGHT IRON MINE CO. is entitled to export minerals from this country. There are no specific taxes of exportation except a transitory duty for the exportation of iron of 40,14 pesetas for 1000 Kgs. and an irrelevant surcharge on the Industrial tax."

Question - "What taxes may be payable, especially income taxes, as they may affect a foreign company ?"

Answer - "There are no discriminatory taxes for spanish companies with foreign capital. Income tax at the rate of 30% of the annual net profit is applicable to all of them. From this tax is deducted the sums paid for the industrial tax."

Question - "Are there any tax inducements such as accelerated depreciation, etc. ?"

Answer - "The sums deducted from the annual gross profit and devoted to amortize the equipment, machinery, etc. are not taxable. However, these sums have to be approved by the Treasury which as a rule only accepts a percentage of 10% - 15% of the value of the equipment, machinery, etc.
When specific circumstances arise the Treasury allows accelerated depreciation amounting up to 40% or highest percentages."

Question - "Do the laws provide for any depletion allowances etc., such as are in effect in Canada ?"

Answer - "The depletion allowance is not applicable in Spain to the mining activities but to the oil field."

As further clarification to the opinion given above by the company's Spanish lawyer, Senor Jose Luis Alvarez Alonso, of Madrid, the company's local solicitor, Mr. Thomas P. O'Connor, Q.C., has written as follows: -

"During the exploration stage a tax is payable on the ground covered by an Exploration Permit. The Permits in this case cover approximately 1000 square miles. You will appreciate this area will be greatly reduced as exploration develops to such an extent to enable the Company to eliminate undesirable ground. The tax payable on the ground covered by the Company's Permits during exploration is 4.50 pesetas per hectare.

259 hectares equals 1 square mile;
1 hectare equals 2.1 acres;
1 square mile equals 640 acres;
4.50 pesetas equals 7¢.

Therefore, during the period the Company keeps all of the 1000 square miles under Exploration Permits the tax would be approximately \$18,200.00 per year.

The above mentioned rate of 4.50 pesetas per hectare is applicable in the case of an Exploration Permit for iron. In the case of other minerals, the rate is 11.50 pesetas per hectare. The Company's Exploration Permits, at present, are for iron to enable it to take advantage of the lower tax. If any other mineral is found the Company would be entitled to have the Exploration Permits amended to include this mineral upon payment of the tax at the increased rate.

If a mine were found and brought into production, then the tax on the ground covered by the producing property is increased to 9 pesetas per hectare in the case of iron, and 23 pesetas per hectare in the case of minerals, plus the sums set forth in the scale shown on page 2 of the opinion letter of Senor Alvarez. In the event of production there is also a surcharge tax of 60% imposed by the local authorities.

If we take an example of a base metal property of 1000 acres being brought into production the annual ground tax would be as follows: -

1000 acres @ 76¢ per acre	\$ 760.00
plus - 20 acres @ \$13.30	266.00
80 acres @ 1.30	104.00
100 acres @ .67	67.00
800 acres @ .33	<u>264.00</u>
	1,461.00
plus surcharge of 60%	<u>876.00</u>
	\$2,337.00

A royalty of 5% on production is levied on the price of the tons of the raw ore extracted as weighed at the entrance of the mine on the basis of the average grade of the ore."

(a) By agreement dated May 12, 1964, between Javier de le Pena Borrás, Sánchez Bregua, 7-20, La Coruna, Spain (hereinafter called "the Optionor") and Compania Gallega de Minas, S.A., with its head office at Serrano 63, Madrid, Spain (hereinafter called "the Optionee"), an option was granted to the Optionee to acquire all of the Optionor's interest in Mining Exploration Permits issued by the Chief Engineer of the District Mine Office of the Spanish Government at La Coruna, Spain, covering approximately 1,000 square miles of land situate in the Provinces of Lugo, La Coruna, Orense and Ponte Vedra in the northwest corner of Spain. The option is for a period of three years from the date of the agreement and may be exercised as to all or any part of the Permits or all or any part of the lands covered thereby, upon payment of 100 pesetas at any time and from time to time (60 pesetas is the equivalent of \$1.00 U.S.). During the period of the option the parties agree as follows:

1. The Optionee is to have exclusive and quiet possession of the lands for the purposes outlined in the Permits;
2. The Optionee shall cause to be done a programme of prospecting, exploration and development on such parts of the lands and to the extent as, in its sole discretion, it may determine;
3. The Optionee shall pay all fees, taxes, rentals, etc., necessary to keep the Permits in good standing, but may, in its sole discretion, at any time and from time to time abandon all or any part of the Permits and thereby reduce the lands covered by the agreement and, accordingly reduce its obligation to pay fees, taxes, rentals, etc., as above mentioned;
4. The Optionor shall use his best efforts to acquire additional Permits covering lands in the aforesaid Provinces and, if successful, they shall form part of and be subject to the option agreement as if originally included;
5. The Optionor shall be at liberty to acquire additional Permits covering lands outside of the above mentioned Provinces and, if successful, the Optionee shall be entitled to first refusal to acquire the same;
6. The Optionee shall not apply for any Permits in the aforesaid Provinces in its own name, or in the name of anyone on its behalf;
7. The Optionee may terminate the agreement at any time by giving two months' notice.

(b) By agreement dated 12th May, 1964, between Mount Wright Iron Mines Company Limited (hereinafter called "Mount Wright"), Suite 206, 365 Bay Street, Toronto, Ontario, and Javier de le Pena Borrás, Sánchez Bregua, 7-20, La Coruna, Spain (hereinafter called "de le Pena") and John Kienel, Calle Del Parrote 3 & 5, La Coruna, Spain (hereinafter called "Kienel"), Mount Wright paid to de le Pena and Kienel the total sum of \$11,000.00 (U.S.) in consideration of de le Pena executing the agreement referred to in sub-paragraph (a)1. hereof (called "the option agreement"), being part of the amounts spent by de le Pena and Kienel in acquiring and keeping in good standing the Permits mentioned in the option agreement. Subject to the acceptance of this Filing Statement by the Toronto and Canadian Stock Exchanges, Mount Wright agreed to pay to de le Pena and Kienel a further sum of \$10,586.94 (U.S.)

being the balance of their expenditures in acquiring the Permits and keeping them in good standing. The agreement further provides:

1. Mount Wright shall cause Compania Gallega de Minas, S.A. (hereinafter called "the Optionee"), to carry out the terms of the option agreement and shall provide the funds and personnel to carry out the exploration programme mentioned therein;
2. Upon the exercise of the option covering any Permit or Permits by the Optionee, Mount Wright shall allot and issue to each of de le Pena and Kienel 25,000 fully paid and non-assessable shares of Mount Wright, of which 90% will be escrowed, subject to release therefrom only with the consent of the Toronto and Canadian Stock Exchanges. When such allotment and issue of shares has been made, no additional shares shall be required to be allotted and issued in order to enable the Optionee to exercise its option on any remaining Permits;
3. If the Toronto and Canadian Stock Exchanges have not accepted this Filing Statement by 1st July, 1964, de le Pena may terminate the option agreement, in which event de le Pena and Kienel will account to Mount Wright for the moneys paid to them pursuant to this agreement and return any balance not expended by them in keeping in good standing the Permits mentioned in the option agreement.

(c) The Optionee is a duly incorporated company under the laws of Spain with a capitalization of 60,000 pesetas, divided into 120 shares of a par value of 500 pesetas each. At the present time under Spanish law a foreign company can own only 25% of the capital stock of a Spanish company. However, when authorized by the Cabinet of the Spanish Government, such foreign participation may be increased to 49%. Therefore, at the present time Mount Wright holds 30 shares of the Optionee and its Spanish lawyers have made application for permission to increase its participation to 49%. The Spanish lawyers advise that such permission is ordinarily given as a matter of course. When such permission has been received an Amending Filing Statement will be filed reflecting the same. The Spanish lawyers also advise that in 1963 the law, insofar as it related to a number of industries, was changed to permit foreign investment in such industries the same rights as Spanish citizens resident in Spain. The mining industry was not included in this legislation, but the lawyers advise that the present limitation of 49% of foreign ownership of mining companies will likely be increased. With that in view, Mount Wright has acquired the right from the holders of the other issued shares of the Optionee to acquire the maximum additional shares permitted by such amended legislation, or such number of shares necessary to bring its total participation to 75% of the authorized capital of the Optionee, whichever is the lesser number.

Those, other than Mount Wright, holding more than 5% of the issued shares of the Optionee are: Jose Luis Alvarez Alonso, Avenida de America 14, Madrid, Spain; Alfredo Sanchez Zavala, Avenida del Generalísimo No. 51, Madrid, Spain;

FINANCIAL STATEMENTS

MOUNT WRIGHT IRON MINES COMPANY LIMITED
(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET

AS AT MARCH 31, 1964
(Prepared from the books without audit)

ASSETS		LIABILITIES	
Current assets		Current liabilities	
Cash	\$ 7,845.47	Accounts payable	\$ 7,206.13
Advances and deposits	<u>4,741.78</u>	Shareholders' equity	
	\$ 12,587.25	Capital stock (see footnote)	
Investments		Authorized:	
Common shares of an oil company, not in excess of cost (market value \$19,980.00)	2,700.00	5,000,000 shares, par value \$1.00 each	
Fixed assets		Issued and fully paid:	
Mining claims in Mount Wright Area, Province of Quebec, at valuation attributed to 1,000,000 capital shares issued in consideration of claims plus \$4,600.00 paid in cash	\$304,600.00	3,070,000 shares (of which 100,000 shares were issued during the year ended December 31, 1963 for \$50,000.00 cash)	\$3,070,000.00
Equipment, at nominal value	2.00	Less - discount thereon	<u>1,772,268.45</u>
Outpost Island, Northwest Territories - mining claims, buildings and equipment, at nominal value	2.00		
Leasehold improvements and office furnishings, at cost	\$3,285.12	Contributed surplus - arising from reduction of the company's capital stock on April 18, 1958	<u>1,367,194.64</u>
Less - allowance for depreciation	<u>915.12</u>		<u>\$2,664,926.19</u>
	2,369.00	306,973.00	
Deferred expenditures		Deficit, per statement	637,973.40
Exploration and administrative expenditures, per statement	\$313,941.28		
Incorporation and recapitalization expenses	<u>8,978.00</u>		<u>\$645,179.53</u>
	\$645,179.53		

Note - The company has granted to an officer of the company an option to purchase up to a total of 100,000 shares of the company's capital stock at \$1.00 per share. The option is exercisable at any time to April 18, 1964, provided he is still in the employ of the company.

Approved on behalf of the
Board of Directors:

[Signature] (Director)
[Signature] (Director)

MOUNT WRIGHT IRON MINES COMPANY LIMITED

DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1963
AND THE THREE MONTHS ENDED MARCH 31, 1964
(Prepared from the books without audit)

	Year Ended December 31, 1963	Three Months Ended March 31, 1964
<u>Balance at beginning of period</u>	\$243,069.49	\$303,178.50
<u>Additions during period</u>		
Exploration expenditures:		
Government licenses and fees	\$ 3,302.75	\$ 3,605.14
Engineer's fees and expenses	3,627.52	820.00
Diamond drilling	27,460.56	-
Transportation of men and supplies	725.39	-
Insurance	47.97	-
	<u>\$ 35,164.19</u>	<u>\$ 4,425.14</u>
Administrative expenditures:		
Office rent, accounting and secretarial fees	\$ 2,393.95	\$ 558.50
Management salaries	9,450.00	1,500.00
Legal and audit fees	1,847.39	-
Legal fees and expenses for special counsel retained for contract negotiations	2,692.19	-
Travelling expenses	2,357.19	2,617.79
Share issue and transfer expenses	3,534.43	-
Annual meeting expenses	1,661.22	-
Shareholders' information and publicity	-	671.65
Telephone	910.63	485.37
Directors' fees	175.00	-
Government fees and taxes	151.26	61.82
Stock exchange fees and expenses	634.41	200.00
Miscellaneous expenses	932.88	242.51
Depreciation of leasehold improvements and office furniture	691.60	-
	<u>\$ 27,432.15</u>	<u>\$ 6,337.64</u>
Less - interest income	2,487.33	-
	<u>\$ 24,944.82</u>	<u>\$ 6,337.64</u>
<u>Total additions during period</u>	\$ 60,109.01	\$ 10,762.78
<u>Balance at end of period</u>	\$303,178.50	\$313,941.28

MOUNT WRIGHT IRON MINES COMPANY LIMITED

STATEMENT OF DEFICIT

FOR THE YEAR ENDED DECEMBER 31, 1963
AND THE THREE MONTHS ENDED MARCH 31, 1964
(Prepared from the books without audit)

	Year Ended December 31, 1963	Three Months Ended March 31, 1964
<u>Balance at beginning of period</u>	\$2,039,981.41	\$2,039,511.90
<u>Additions during period</u>		
Property taxes on Outpost Island claims	30.49	-
	<u>\$2,040,011.90</u>	<u>\$2,039,511.90</u>
<u>Deductions during period</u>		
Proceeds from sale of equipment, previously written down to nominal value	500.00	-
Excess of proceeds from sale of investments over book value	-	12,559.11
	<u>-</u>	<u>12,559.11</u>
<u>Balance at end of period</u>	\$2,039,511.90	\$2,026,952.79

MOUNT WRIGHT IRON MINES COMPANY LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED DECEMBER 31, 1963
AND THE THREE MONTHS ENDED MARCH 31, 1964
(Prepared from the books without audit)

	Year Ended December 31, 1963	Three Months Ended March 31, 1964
<u>Source of funds</u>		
Sale of 100,000 shares of capital stock	\$50,000.00	\$ -
Proceeds from sale of equipment	500.00	-
Proceeds from sale of investments	-	15,559.11
	<u>\$50,500.00</u>	<u>\$15,559.11</u>
<u>Application of funds</u>		
Exploration and administrative expenditures, per schedule	\$60,109.01	\$10,762.78
Less - depreciation of leasehold improvements and office furnishings	691.60	-
	<u>\$59,417.41</u>	<u>\$10,762.78</u>
Leasehold improvements	15.73	-
Property taxes on Outpost Island property	30.49	-
	<u>\$59,533.63</u>	<u>\$10,762.78</u>
<u>Increase (decrease) in working capital</u>	<u>(\$ 9,033.63)</u>	<u>\$ 4,796.33</u>
<u>Working capital changes</u>		
Increase (decrease) in current assets	(\$ 2,802.48)	\$ 2,151.27
Decrease (increase) in current liabilities	(6,231.15)	2,645.06
	<u>\$ 9,033.63</u>	<u>\$ 4,796.33</u>

Approved on behalf of the
Board of Directors:

... *[Signature]* ... (Director)
... *[Signature]* ... (Director)



Mount Wright Iron Mines
Company Limited

Suite 208
165 BAY STREET,
TORONTO, CANADA

MAY 5TH, 1964.

TORONTO STOCK EXCHANGE,
234 BAY STREET,
TORONTO, ONTARIO.

GENTLEMEN:

SINCE THE DATE OF THE FINANCIAL STATEMENTS AT MARCH 31ST, 1964, THE COMPANY HAS SPENT A TOTAL OF \$13,574.56 IN ACQUISITION OF ITS OPTIONS IN SPAIN. AT THE PRESENT TIME THE COMPANY HAS APPROXIMATELY \$2,100.00 IN CASH AND HAS INCREASED ITS LIABILITIES TO \$17,206.00 BY BORROWING \$10,000.00 SINCE THE DATE OF THE FINANCIAL STATEMENT IN ORDER TO CARRY OUT ITS PROGRAMME IN SPAIN TO DATE.

THE COMPANY ALSO EXTENDED THE TIME FOR JULIUS MALLIN TO EXERCISE HIS OPTION TO PURCHASE 100,000 SHARES AT \$1.00 UNTIL 18TH APRIL, 1966.

YOURS VERY TRULY,

MOUNT WRIGHT IRON MINES COMPANY LIMITED

[Signature]
VICE-PRESIDENT

[Signature]
SECRETARY

Note - The following are excerpts from a report by A.W. Mullan, B.Sc., P.Eng., dated May 4th, 1964, on certain mineral deposits, located in the Region of Galicia, in the country of Spain. A complete copy of this report is on file at the Toronto Stock Exchange.

7. RECOMMENDATIONS

An exploration program of the investigation permits shown on Map #G4078 is recommended. The properties, comprising some 1,250 square miles, are considered to offer good potential for the location of tin and base metal mineralization. Further to the north in the Province of La Coruna interesting asbestos occurrences require careful investigation.

A program involving three four-month phases is suggested to evaluate the mineral potential of the company's holdings. Each successive phase would be dependent on favourable results being obtained from the previous phase.

It is possible that the program may allow a reduction in professional personnel during Phases 2 and 3. However, for the purposes of this estimate it is assumed that all field personnel will be utilized for a year.

The drilling estimate is only considered sufficient to include straight reconnaissance investigation. Once results on any specific property are sufficiently interesting to require detailed drilling or development work, then additional funds would be required.

Phase I

Geological and geochemical surveys of all permits to delimit the areas considered favourable for mineral deposits. One of the features of the Spanish mining legislation is that the area of the permit may be reduced within a period of up to four months from the date of the final fee payment, with the return of 90% of the fee for the corresponding area.

The initial phase should also include some detailed examinations of the more specific targets such as the Penouta area in permit #3931

and the Beariz area in permit 3927.

The base metal and asbestos prospects of the Region of Galicia should be examined and permits acquired where necessary.

Phase 2

The second phase would involve detailed geological, geochemical and geophysical surveys. Areas of interest as outlined in Phase #1 should be carefully mapped and where necessary geochemical surveys done in detail.

Certain of the tin occurrences are not believed to be suitable geophysical targets while others contain some associated metallic sulphides and may be located by electrical surveys such as induced polarization. The deposits at Beariz (3927), Chaguazosa (3938) and possibly Penouta (3931) have some reported associated metallic sulphides. There is the possibility that some magnetic relief or resistivity contrast may exist over the differentiates and intrusives. Therefore any geophysical program should initially be in the nature of a test where the physical properties are tested by several different types of surveys.

Certain of the base metal deposits warrant geophysical surveying. The Villarin-Rubiales zone will likely require induced polarization surveying to trace out the zone and locate areas of greatest mineral content.

Phase 3

Phase 3 will likely consist of a drilling program and a

continuation of the detailed examinations.

Cost Estimate

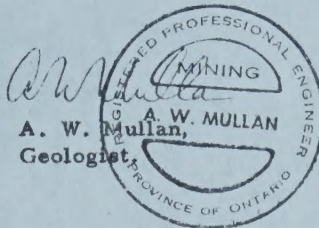
Mobilization Charges - Includes transportation to Region of Galicia and return, additional consulting time during setting-up period, capital purchases - 2 vehicles, laboratory and office equipment, deposits re telephone, electricity and water. \$ 11,500.00

Phase 1 - four months - Includes salaries of field and office personnel, consulting both by a geologist and geochemist, living expenses while in the field, travel for consultants, local transportation costs, office expenses. \$ 41,200.00

Phase 2 - four months - Includes all above and in addition - 3 months geophysical surveying. \$ 62,000.00

Phase 3 - four month program - Includes services, etc. outlined under Phase 1 plus 6,000 feet of diamond drilling. \$ 71,000.00
\$185,700.00

McPHAR GEOPHYSICS LIMITED



Dated: May 4, 1964.

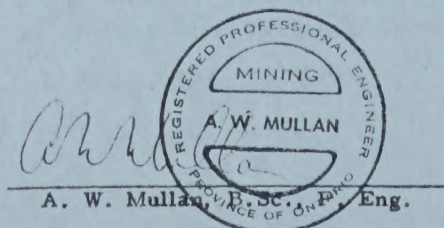
CERTIFICATE

I, Ashton W. Mullan, of the City of Toronto, in the Province of Ontario, hereby certify:

1. That I am a geologist and a fellow of the Geological Association of Canada with a business address at 139 Bond Avenue, Don Mills, Ontario.
2. That I am registered as a member of the Association of Professional Engineers of the Province of Ontario.
3. That I hold a B.Sc. degree from McGill University.
4. That I have been practising my profession as a geologist for about fifteen years.
5. That I have no direct or indirect interest nor do I expect to receive any in the properties or securities of Compania Gallega de Minas, S.A.
6. That the statements made in this report are based on observations made in the field during March, 1964 and on information contained in a report by J. M. Kienel, Consulting Geologist, titled "A Preliminary Report On The Metallogenic Tin Province of the North-West Iberian Peninsula" and on published geological maps available from the Geological Institute of Spain.

Dated at Toronto

This 4th day of May, 1964



16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	G.H. Corolis, 241 Strathallan Wood, Toronto, as President and the largest single shareholder in the past has been able to obtain sufficient proxies to materially affect control of the Company.		
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	18,500 shs Jilbie Mining Co.Ltd.	<u>Book Value</u> nil	<u>March 31 Market</u> -
	27,000 shs Northcal Mines Ltd.	\$ 2,700.00	\$19,980.00
	72,000 shs Nealon Mines Ltd. (escrowed)	nil	-
18. Brief statement of any lawsuits pending or in process against company or its properties.	None		
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None		
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Upon completion of the purchase of the underwritten shares referred to in Item 6 hereof and the purchase of any optioned shares, the shares of the Company will be in primary distribution.		

CERTIFICATE OF THE COMPANY

DATED 5th May, 1964

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

MOUNT WRIGHT IRON MINES COMPANY LIMITED

"G.H. Corolis"

CORPORATE
SEAL

"O.E. Smith"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

E.H. POOLER & CO. LIMITED

"E.H. Pooler"

"E. R. Pooler"